

From: Zachary Bassett <zach@cosaccounting.com>

To: Mason Warr <mason@cosaccounting.com>, Grant Walker <grant@cosaccounting.com>

Subject: Re: Tyler and Grant

Date: Thu, 18 Feb 2021 14:27:55 -0700

Grant,

Mason and I have had to do some serious thinking as we are dealing with an unreal cash crunch and going through everything else that I will mention in this email. Because of the issues we are having we will need to make some minor changes. If they are received well by you, then the ownership deals will be signed by March 15th, and your financial future will most likely be an amazing one. If we receive blowback of any kind, we advise that it is best that we part ways at this time. If you choose to leave we will honor the commission deal on any ERC's that have been completed by COS to date, even on the amounts they haven't paid, though those amounts will be paid when the client pays. We will also honor the commission deal on setups. We truly hope you choose to understand, and recognize that we are being extremely fair.

We feel like you are young and you haven't had enough time to see what happens at 99% of companies. You are as entitled as any young person I have ever met. Every intern I have ever had has been so grateful towards me for what I was doing for them, and you are always seemingly unhappy with what we have done for you. It's very odd. Most interns do everything possible to try and increase revenues for the firm they are at and in many cases, they are successful. But, never have I seen one expect to be paid on the profits or ever even think to ask if they could. I chose to look at it from a point of view of potential growth and I am glad that I did. But, the first deal that we made was 15% on whatever you do in revenue from the ERC, then we added Todd and his team and we gave 3% of that 15% to Todd. At that time we started to feel the pain of paying all of the wages and commissions. At one point we had like 15 ERC reps, and after paying down the debts that me and Mason had, we both made under \$30k and my debt even went up! Yet, you made good money and we were glad that was the case because the growth is nice. Then, the IRS investigation happened and from what I heard, you were instantly pushing everything on to me. I know you said the IRS agent said I pushed it all onto you. I told the agent that you brought an idea to me and we double checked to see if our clients qualified, and once we knew they did, I put you in charge of the ERC department and since then I have answered very few questions by text, email, or in person, but that otherwise I was not heavily involved. I said that Grant runs the ERC department and he will be the one to answer any questions as to how the forms were filled out, what companies we did it for, and any general information like that. He asked if I thought that you would do the ERC for any clients outside of our client list and split the money with said person. I said that with the deal that we gave you, I didn't think you would have any reason to do that, but I also said that after everything I have been through, I don't put anything past anyone. I don't feel like that was me throwing you under the bus, I feel like that was me being honest about your position in the company and I am positive that anyone else would agree. I was literally asked maybe 3 or 4 questions from you, and I always said, even in our texts, just make sure that we are doing it by the book and I am good with it if you are. I never authorized signing documents for clients, it's even in our texts if you want to look back. I said we don't sign anything for clients unless it is a tax return and they have sent us the paragraph giving their permission. Even doing that was dumb, but my point is, is that I know I didn't give permission to sign, and I am super surprised that we weren't asking the clients if they consider their wife an employee, or discussing what wage we should do for them. Like I said yesterday, If we go to court, I am going to say that I am the owner that is in charge of making sure that we are doing things in a legal manner and that though I thought that my team was doing things 100% by the book, I should have looked into it further, I was swamped running the rest of the company and I will be better moving forward and please don't take this out on any of our employees. I'll ask them to please understand that the ERC is brand new, and that with all of our hearts and souls, we thought we were doing the exact opposite of fraud, and that our clients are more deserving of the ERC funds than 90% of the companies out there that have gotten the ERC.

Moving forward, you need to immediately stop separating yourself from the ERC department. How many times have I said that you are 100% in charge? Yet you are telling Mary that you don't want to make any decisions, so you don't have to take any responsibility? That is a cowardly way to go about it. You were in charge and you are in charge of ERC. Your team made many mistakes and you should take accountability for that. That doesn't mean you deserve to be arrested, it means you work harder, you study harder and you make the right decisions moving forward. We made the deal with you so you would run the ERC department, not push it off to everyone else and sit back and take a huge cut of the money. That is ridiculous. What you have done with the bot is great, Grant, but everytime I go into that office I just see you chatting with other employees, watching Adam or Connor on their computers, and I think only once have I seen you working on something. You also haven't been taking every call and reaching out to everyone that has talked to the agent like I told you was your responsibility. Now, I have to make this video to try and fix everything.

From now on, we will be putting 4% of your commission into an account to be used for lawyer fees, IRS fees, penalties, etc. Then there will be 1% kept by COS to cover all of the expenses related to the ERC like employees, marketing, etc., and then you will give 2.5 of the remaining percentage to Tyler. So, the amount you will receive going forward will be 7.5%. The 4% will be tracked and if there is anything left after paying for those things, we will give it to you. And if me and Mason make \$1,000,000 each in profit this year, you better believe you're going to get a big bonus, but as of now, we have made less than you, and we made far less than you last year, all while we gave you an ownership deal and let you do whatever you wanted, really. This is extremely generous given everything that has come to light. If we hear that you are not making the ERC decisions, then the commission amount going forward will go to 0%. We expect you to be looking over everything that Tyler is doing, making sure that it is right, and making decisions on each question that comes your way. You should be spending at least 3 hours a day actively working on improving the ERC process, speaking to clients about the ERC, etc.

If you can do this and realize that it is just, and not give any blowback, then the ownership deal will be signed by March 15th, you will be able to get up to 5% in the company from that deal alone, which is unreal. Remember, you own 1% right now, so you will be getting 1% of all profits from the company. With your deal you will end up getting 5% if you stick around and work very hard, so we have given out 20% in equity deals, we are giving out 10% more later today (there max will be 2% each), and next year, we are giving out 5-10% more (there max will be 1% each), and we will continue doing that each year that we are in business so any thoughts of us being greedy and wanting everything for ourselves is just wrong. We will likely own 20% or less each by the time we sell, it could be as low as 10%, because we value our team and we are in this to do something special with a group of people that love each other and want to do something awesome together. If I were in your shoes I would realize how fragile I have made the situation that I was in and I would work hard to be the actual manager for the ERC. I would make sure that I impressed and got my ownership deal signed. You said you would get the FMP done, the mail thing done, Corp rent, and many other things. We haven't seen anything on that, so that was a bit of a let down, as well. I love the bot and I love you for doing it, but nobody is going to look me in the eye and make me feel like we aren't doing enough for them, while not respond to texts from an owner with an apology about not being able to pay commission and barely making payroll, and then come at us to put more in your pocket at every turn. This is what happens when employees try to do that. It causes major issues and half the time it ends in the employee voluntarily leaving or being fired. Please don't make that mistake. We will sell for a billion dollars in less than 10 years and you will get FMV just like us on it, which is amazing, that's \$50 million, bro. Please see this as deserving and please make the right decision, we do not want to lose you. Thank you.

Best,

Your Partners,

Zachary Bassett & Mason Warr

On Thu, Feb 18, 2021 at 1:44 PM Mason Warr <mason@cosaccounting.com> wrote:

Zach,

Making a few minor changes to wording to make it more clear or separating parts to create a new paragraph. Very good, though.

Grant,

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decisions, so you don't have to take any responsibility? That is a cowardly way to go about it. You were in charge and you are in charge of ERC. Your team made many mistakes and you should take accountability for that. That doesn't mean you deserve to be arrested, it means you work harder, you study harder and you make the right decisions moving forward. We made the deal with you so you would run the ERC department, not push it off to everyone else and sit back and take a huge cut of the money. That is ridiculous. What you have done with the bot is great, Grant, but everytime I go into that office I just see you chatting with other employees, watching Adam or Connor on their computers, and I think only once have I seen you working on something. You also haven't been taking every call and reaching out to everyone that has talked to the agent like I told you was your responsibility. Now, I have to make this video to try and fix everything.

From now on, we will be putting 4% of your commission into an account to be used for lawyer fees, IRS fees, penalties, etc. Then there will be 1% kept by COS to cover all of the expenses related to the ERC like employees, marketing, etc., and then you will give 2.5 of the remaining percentage to Tyler. So, the amount you will receive going forward will be 7.5%. The 4% will be tracked and if there is anything left after paying for those things, we will give it to you. And if me and Mason make \$1,000,000 each in profit this year, you better believe you're going to get a big bonus, but as of now, we have made less than you, and we made far less than you last year, all while we gave you an ownership deal and let you do whatever you wanted, really. This is extremely generous given everything that has come to light. If we hear that you are not making the ERC decisions, then the commission amount going forward will go to 0%. We expect you to be looking over everything that Tyler is doing, making sure that it is right, and making decisions on each question that comes your way. You should be spending at least 3 hours a day actively working on improving the ERC process, speaking to clients about the ERC, etc.

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On Thu, Feb 18, 2021 at 1:03 PM Zachary Bassett <zach@cosaccounting.com> wrote:
Mason,

Email Tyler after letting him know of the change and why. Thank you!

Grant, ,

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Best,

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Zachary Bassett - CFO
Co-Founder
COS Accounting & Tax



Mason Warr

CEO & Co-Founder

Phone: [801-960-1700](tel:801-960-1700)

Email: mason@cosaccounting.com

Website: www.cosaccounting.com

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